



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

October 22, 2010

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Bay Cities Bank, Tampa, Florida, Assumes All of the Deposits of Progress Bank of Florida, Tampa, Florida

FOR IMMEDIATE RELEASE

Progress Bank of Florida, Tampa, Florida, was closed today by the Florida Office of Financial Regulation, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. To protect the depositors, the FDIC entered into a purchase and assumption agreement with Bay Cities Bank, Tampa, Florida, to assume all of the deposits of Progress Bank of Florida.

The two branches of Progress Bank of Florida will reopen on Monday as branches of Bay Cities Bank. Depositors of Progress Bank of Florida will automatically become depositors of Bay Cities Bank. Deposits will continue to be insured by the FDIC, so there is no need for customers to change their banking relationship in order to retain their deposit insurance coverage up to the applicable limits. Customers of Progress Bank of Florida should continue to use their existing branch until they receive notice from Bay Cities Bank that it has completed systems changes to allow other Bay Cities Bank branches to process their accounts as well.

This evening and over the weekend, depositors of Progress Bank of Florida can access their money by writing checks or using ATM or debit cards. Checks drawn on the bank will continue to be processed. Loan customers should continue to make their payments as usual.

As of June 30, 2010, Progress Bank of Florida had approximately \$110.7 million in total assets and \$101.3 million in total deposits. Bay Cities Bank did not pay the FDIC a premium for the deposits of Progress Bank of Florida. In addition to assuming all of the deposits, Bay Cities Bank agreed to purchase essentially all of the failed bank's assets.



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

FDIC press releases and other information are available on the Internet at www.fdic.gov, by subscription electronically (go to www.fdic.gov/about/subscriptions/index.html) and may also be obtained through the FDIC's Public Information Center (877-275-3342 or 703-562-2200). PR-232-2010

The FDIC and Bay Cities Bank entered into a loss-share transaction on \$82.6 million of Progress Bank of Florida's assets. Bay Cities Bank will share in the losses on the asset pools covered under the loss-share agreement. The loss-share transaction is projected to maximize returns on the assets covered by keeping them in the private sector. The transaction also is expected to minimize disruptions for loan customers. For more information on loss share, please visit:
<http://www.fdic.gov/bank/individual/failed/lossshare/index.html>.

Customers who have questions about today's transaction can call the FDIC toll-free at 1-800-830-4705. The phone number will be operational this evening until 9:00 p.m., Eastern Daylight Time (EDT); on Saturday from 9:00 a.m. to 6:00 p.m., EDT; on Sunday from noon to 6:00 p.m., EDT; and thereafter from 8:00 a.m. to 8:00 p.m., EDT. Interested parties also can visit the FDIC's Web site at
<http://www.fdic.gov/bank/individual/failed/progress-fl.html>.

The FDIC estimates that the cost to the Deposit Insurance Fund (DIF) will be \$25.0 million. Compared to other alternatives, Bay Cities Bank's acquisition was the least costly resolution for the FDIC's DIF. Progress Bank of Florida is the 134th FDIC-insured institution to fail in the nation this year, and the 27th in Florida. The last FDIC-insured institution closed in the state was First Bank of Jacksonville, Jacksonville, earlier today.
